

**CHAPTER NO. 320**

**SENATE BILL NO. 746**

**By Henry, Harper**

Substituted for: House Bill No. 629

By Arriola, Briley, Pruitt

AN ACT To amend Tennessee Code Annotated, Section 7-4-110 and Section 7-4-102, to increase the tourist accommodation tax in metropolitan counties having a population in excess of one hundred thousand according to the 1990 census of population or any subsequent census by one percent (1%) and to dedicate revenue generated by such tax increase to the direct promotion of tourism.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 7-4-102(a), is amended by designating the existing language as subdivision (1) and by adding the following new subdivision (2):

(2) In addition to the tax authorized in subdivision (1) and subsection (b), there is hereby authorized an additional privilege tax upon the privilege of occupancy in any hotel of each transient in an amount not to exceed one percent (1%) of the consideration charged by the operator in metropolitan counties having a population in excess of one hundred thousand (100,000) according to the 1990 federal census of population or any subsequent federal census. The tax so imposed is a privilege tax upon the transient occupying the room and is to be collected and distributed as hereinafter provided, and the tax shall be approved by ordinance of the metropolitan county council.

SECTION 2. Tennessee Code Annotated, Section 7-4-110, is amended by designating the existing language as subdivision (a)(1) and by adding the following new subdivision (a)(2):

(a)(2) The proceeds from the tax authorized to be levied in § 7-4-102(a)(2) shall be retained by the metropolitan government having a population in excess of one hundred thousand (100,000) according to the 1990 federal census of population or any subsequent federal census and shall be used solely for the direct promotion of tourism.

SECTION 3 The provisions of this act shall take effect on July 1, 1999, the public welfare requiring it. The provisions of this act shall be repealed on June 30, 2002, the public welfare requiring it.

  
JOHN S. WILDER  
SPEAKER OF THE SENATE

  
JIMMY NAIFEH, SPEAKER  
HOUSE OF REPRESENTATIVES

**PASSED: May 19, 1999**  
**APPROVED this day of 1999**

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DON SUNDQUIST, GOVERNOR

Pursuant to Article III, Section 18, of the Constitution of the State of Tennessee, the Governor had Senate Bill No. 746 in his possession longer than ten (10) days, so therefore the bill becomes law without the Governor's signature.